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TO RUEHC/SECSTATE WASHDC PRIORITY
INFO RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY
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RUCNDT/USMISSION USUN NEW YORK PRIORITY
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUEHDIR/RPO DUBAI PRIORITY
RUEHUNV/USMISSION UNVIE VIENNA PRIORITY

S E C R E T SECTION 01 OF 03 BRUSSELS 001910

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E.O. 12958: DECL: 12/17/2018
TAGS: [PREL](#) [ETTC](#) [EFIN](#) [KNNP](#) [ENRG](#) [MNUC](#) [PINR](#) [EUN](#) [IR](#)
SUBJECT: (C) IRAN: EU TO CONSIDER MORE DESIGNATIONS ON
DECEMBER 17

REF: A. LONDON 3110
[1](#)B. BERLIN 1555

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Classified By: USEU Political Deputy Counselor Mary Curtin for reasons
1.4 (b) and (d)

[1](#)1. (S) SUMMARY AND COMMENT: The French Presidency will convene a meeting of capital-based experts in Brussels on December 17 to evaluate names of Iranian individuals and entities for possible designation by the EU under its Common Policy on Restrictive Measures Against Iran (insert ref number). Three EU member - France, Germany and the UK (the "EU-3") - forwarded these names to the Council for consideration in response to a call from the French Presidency in November 2008. In some instances two countries nominated the same entity for designation. The EU-3 presented their lists to the Council on the basis of evidence linking those listed to missile/nuclear proliferation-related activity in accordance with relevant UNSC resolutions (especially UNSCRs 1747 and 1803) and provided relevant identifier information wherever possible. With the exception of one entity for which alias information requires expansion, those entities and individuals listed below for EU consideration are not/not currently designated in the annexes of UNSC sanctions resolutions against Iran (UNSCRs 1747, 1803). To date, the EU-3 has not/not shared these lists with the United States. Moreover, the French Presidency has not asked the United States to lobby EU member states in support of new designations. USEU does not expect the French to push this through in one go, and they may see themselves better positioned to push them through in their national leadership role during the Czech presidency after January 1, 2009. A primer on EU designation process is outlined in paras 3-6. The lists are included at paras 7-9. END SUMMARY AND COMMENT.

EU DESIGNATIONS: A LONG AND TORTUOUS PROCESS

[1](#)3. (C) As our sanctions experts may already be aware, the EU's autonomous designation process is a long and tortuous one, in which the deliberation of names by EU-27 national experts is an important, but early step. In accordance with EU Common Foreign and Security Policy, the EU must act by consensus of all 27 EU member states to designate individuals and entities autonomously under the EU's Common Policy. According to a knowledgeable EU contact, EU member states who are generally Iran sanctions skeptics include Austria, Spain, Greece, Cyprus, Malta, Luxembourg, Sweden, and Portugal. In past EU designation exercises, we have

observed that France and the UK fully supported each other's lists, but that Germany broke EU-3 unity on specific designations. As a result, it is extremely unusual for capital-based experts to reach a quick agreement to recommend most or even all of the names for approval at the political level. It is expected that the sanction-skeptical countries will pick apart the lists and object to names based on lack of evidence (of a link to proliferation) or identifier information.

¶4. (SBU) In the best case scenario, geographical and functional (COMEM/CONOP) experts reach consensus. However, if and when a deadlock occurs at the expert-level on the designations list, the Presidency has two options. It can either let the experts grind it out in another meeting or force the issue up to a political level for decision (either the Ambassador-level Political and Security Committee or even ministers). Concurrent with Brussels deliberations, the EU-3 countries will likely be lobbying fellow EU member states in capitals for support.

¶5. (SBU) When an informal consensus on the list is reached, the Presidency directs yet another working group (EU-27 RELEX Counselors) to prepare the necessary legislation (usually a formal amendment to the EU Common Position to add the new names and, if needed, Council regulations). With the legislative package in hand, the Presidency asks COREPER Ambassadors (Permreps) to review and forward it to the Council for formal adoption at ministerial level. Once ministers approve the list, the aspects that involve member states competence take immediate effect. However, for sanctions action involving European Community competence the Commission is required to prepare the necessary implementing legislation (roughly speaking this includes any action that

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would affect interstate commerce and trade in the European Common Market).

¶6. (SBU) The final step in the process is Commission publication in the Official Journal of the EU (its version of the Federal Register) of the implementing regulations requiring Member States to take action at the national level. If there are political and security questions needing higher level guidance, the PSC steps in.

LISTS OF POSSIBLE NAMES FOR EU-LEVEL DESIGNATION

7.(S/NF) US Mission was permitted to see the following lists.

List Submitted to the Council by FRANCE

Individuals:

- ¶1. Hossein AKHGARI.
- ¶2. Mohammad Hassan ALLAHDAZ (DPOB: 1946 Tehran), former VP of AEIOI, former Director of Kalaye Electric, and Pars Trash.
- ¶3. A.S. SABHARWAL, Manager of Mileace General TDG; participates in procurement effort for centrifuges, liaison with listed entities.

Entities

- ¶1. Al Basir General Trading Office. Address: No Lobaah 218 Jebel Ali (Dubai); acquisitions for Kalaye Electric.
- ¶2. Alborz Manufacturer Trading.
- ¶3. Bank Mellat (see also UK list).
- ¶4. Bank Sadarat (see also UK list).
- ¶5. Export Development Bank of Iran.
- ¶6. Iran Air Cargo (see also UK list).
- ¶7. Iran Insurance Company.
- ¶8. Islamic Republic of Iran Shipping Lines (IRISL) (see also UK list).
- ¶9. Iran Zamin Industrial Group Ltd, a front company of AIO.
- ¶10. Master (Address: 119 Abolhassani St., North Ostdad Hassan Bana Ave., Ressalat Hwy (Tehran)).
- ¶11. Mileace General TDG.

- ¶12. Technical and Engineering Nikan Group (TENG).
- ¶13. Three Star Service (TSS Co.)
- ¶14. Societe Kala Naft, front company for dual use procurement.
- ¶18. (S/NF) Names Submitted to the Council by GERMANY

Individuals

- ¶1. Alireza ABBASPOURRAD, researches carbon-nano tubes, which are banned for trade and transfer per EU regulation 423/2007.
- ¶2. General Hossein HAMEDANI, Deputy Commander Basij Force.
- ¶3. Prof. Dr. Abdolhossein DALIMI, Director-General Razi Institute.
- ¶4. Prof. Haji SAEID, Director of Yazd Radiation Processing Center (YRPC).
- ¶5. Brig. Gen. Hassan TA'EB, Commander, Basij force.
- ¶6. Ahamad TALEZADEH, Director-General Iranian Space Agency.
- ¶7. Alireza ZAKANI (DPOB: 03/03.1966 Shahr Rey), nuclear scientist.

Entities

- ¶1. Benefication and Hydrometallurgical Research Center (BHRC), AEOI personnel at BHRC work on research concerning mineralogical and metallurgical methods to extract uranium ore.
- ¶2. Ghoods (Qods) Research Center.
- ¶3. Iran Computer Works Inc.
- ¶4. Iranian Space Agency, develops satellite carrier missile technology which is applicable for non-civilian missile systems.
- ¶5. Machine Sazi Arak, IRN state-owned manufacturing firm; bought 8 vertical turning and boring machines; the Czech firm TST Kovosvit Semimovo Usti provided MSA with at least 5 CNC drilling machines which are used in construction of uranium centrifuges. (See also UK list.)
- ¶6. Physics Research Center (PHRC).
- ¶7. Razi Institute for Serum and Vaccine Production (RVSRI) and sub-branches, evidence of biological research with highest level of security (S4), which could be used for acquiring knowledge of bioweapon systems.
- ¶8. Sharif University of Technology.
- ¶9. Yazd Radiation Processing Center (YRPC).

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- ¶9. (S/NF) List Submitted to the Council by the UNITED KINGDOM

Entities

- ¶1. MASNA (Modierat Saakht Niroogahaye Atomi Iran), manages construction of nuclear power plants, subordinate to AEOI and Novin.
- ¶2. Iran Centrifuge Technology Co. (TSA or TESA).
- ¶3. Research Institute of Nuclear Science and Technology (Nuclear Science and Technology Research Institute).
- ¶4. Machine Sazi Arak. (See also Germany's list.)
- ¶5. Technology Cooperation Office of the Iranian President's Office.
- ¶6. Fajr Aviation Composite Industries, produces composite materials for aircraft, but also linked to development of carbon fiber capability for nuclear and missile applications.
- ¶7. Khatam Ol Anbia (NOTE: this is request for expansion of designation to include the following aliases):
 - a. Khatam Ol Ambia
 - b. Ghorb Khatam
 - c. Khatam AL-Anbya
 - d. Khatem Ol Anbia Gharargah Sazandegi Noor.
- ¶8. Islamic Republic of Iran Shipping Lines and subsidiaries (aka IRISL Group, IRI Shipping Lines, ARYA Shipping Company, IRL). (See also France list.)
- ¶9. Iran Air Cargo. (See also France list.)
- ¶10. Bank Mellat. (See also France list.)
- ¶11. Persia International Bank.
- ¶12. Bank Tejarat.
- ¶13. Bank Sadarat. (See also France list.)

End Lists.

MURRAY

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